SECOND SET OF DOCUMENT AND INFORMATION REQUESTS OF THE ATTORNEY GENERAL TO BOSTON GAS COMPANY, COLONIAL GAS COMPANY AND ESSEX GAS COMPANY D/B/A KEYSPAN ENERGY DELIVERY NEW ENGLAND

D.T.E. 04-62

Respondent: Ann Leary

<u>Information Request AG 2-3</u>

- Q. Refer to the Company's response to AG-1-16. Please explain why the Company could not (and did not) pool all direct gas costs (CGA allowable costs not set in base rate proceedings) and charge out the costs to the individual companies based on each company's actual usage and demand. Please provide an illustration of such an allocation of the Peak 2003/04 costs and each companies' CGA based on this allocation.
- A. The Company's proposal in this case does pool all direct gas costs and charge out the costs to the individual companies based on each company's usage. Please see attachment which illustrates such an allocation based on the Annual 2003/2004 gas costs derived from Exhibit KED/AEL-2.